

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

FILED

02 NOV -6 AM 10:50

STEVEN R. LINDS, CLERK
U.S. DISTRICT COURT
FOR THE NORTHERN DISTRICT
OF INDIANA

UNITED STATES OF AMERICA

V.

DAVID A. SHAFFER

)
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)
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)

2:02CR 84JM

) 29 U.S.C. SEC. 439(c)

COPY FOR YOUR
INFORMATION

INFORMATION

The United States Attorney charges:

INTRODUCTION

At all times material herein, Steelworkers Local 8985 was a labor organization in an industry affecting commerce within the meaning of Section 402(i) and 402(j) of Title 29, United States Code.

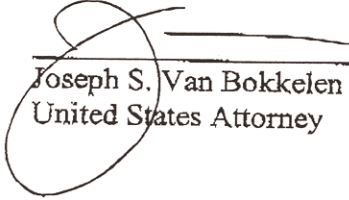
VIOLATION

Beginning in or about January 1997 and continuing through in or about May 2000, in the Northern District of Indiana,

DAVID A. SHAFFER,

defendant herein did willfully make and cause to be made false entries in records and claims that he submitted to Steelworkers Local 8985 for disbursements to him and/or on his behalf, which records Local 8985 was required to be maintain pursuant to Title 29, United States Code, Section 436, specifically, records of its assets and liabilities as well as disbursements, which are required to be reported in the annual financial report of Steelworkers Local 8985;

All in violation of Title 29, United States Code, Section 439(c).



Joseph S. Van Bokkelen
United States Attorney

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

UNITED STATES OF AMERICA)

v.)

DAVID A. SHAFFER)

2:02CR 813

NO. _____

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INFORMATION

PETITION TO ENTER A PLEA OF GUILTY

The defendant above named respectfully represents to the Court as follows:

1. My full true name is DAVID ALLEN SHAFFER and I request that all proceedings against me be had in the name which I here declare to be my true name.
2. I was born on 5-27-1949 in the city of GARY in the State of INDIANA. I have attended school and completed 12 years of education and I have the ability to read, write and speak the English language.
3. I am represented by counsel and my lawyer's name is William A. Padula.
4. I have received a copy of the Information and have read and discussed it with my attorney, and believe and feel that I understand every accusation made against me in this case. I am aware that I am charged with willfully making and causing to be made false entries in records and claims that I submitted to Steelworkers Local 8985 regarding disbursements for me or on my behalf, which are records required to be retained by the union, in violation of Title 29, United States Code, Section 439(c). I fully understand the nature and elements of this charge.
5. I have told my lawyer the facts and surrounding circumstances as known to me concerning the matters mentioned in the Information and believe that my lawyer is fully informed

as to all such matters. My lawyer has since informed me and has counseled and advised me as to the nature of every accusation against me and as to any possible defenses I might have in this case.

6. I understand that I am entitled to have all of my rights which may be involved in this matter explained to me, and that I have the right to have any questions I may have answered for me.

7. I understand that I have a right to plead NOT GUILTY to any offense charged against me, and that under a plea of NOT GUILTY the Constitution guarantees me:

- a. the right to a speedy and public trial by a twelve-person jury of my peers, selected according to law, in the Northern District of Indiana which must return a unanimous verdict of GUILTY before I can be convicted;
- b. the right to see, hear and cross-examine all the witnesses against me at my trial;
- c. the right to use the power and process of the Court to compel the production of any evidence, including the attendance of any witnesses, in my favor at my trial;
- d. the right to the assistance of counsel at every stage of the proceedings, including upon an appeal if need be;
- e. at trial, I would have a privilege against self-incrimination so that I could decline to testify, and no inference of guilt could be drawn from my refusal to testify. If I desired to do so, I could testify in my own behalf; and
- f. that in the event that I should be found GUILTY of the charge(s) against me, I would have the right to appeal my conviction on such charge to a higher court.

8. Except for the assistance of counsel at every critical stage of the proceeding, I understand that by pleading GUILTY I am waiving all the rights set forth in the prior paragraph, including my right to trial by jury and my right to appeal. My attorney has explained those rights to me and the consequences of my waiver of those rights.

9. Notwithstanding the above, I have, with the assistance of counsel, entered into an agreement with the United States Attorney's Office as follows:

- a. I will plead GUILTY to the Information charging that I willfully submitted and caused to be submitted false reports and statements to Steelworkers Local 8985 regarding disbursements for me or on my behalf which are records required to be retained by the union, in violation of Title 29, United States Code, Section 439(c), because I am in fact GUILTY.
- b. I admit that in or about January 1997 through in or about May 2000, in the Northern District of Indiana, while employed at National Steel, I was also the president of Steelworkers Local 8985. During that time period I submit to the union claims alleging that I had lost hours in wages because I had to conduct union business during a time that I was scheduled to work. During that time period I caused to be submitted to the union some fraudulent claims for time lost when in fact I had not lost any wages from National Steel or I had not even been scheduled to work. Additionally, from June 1999 through October 1999, I made travel expense requests from the union in excess of \$4,000 so that I could attend contract negotiations in Pittsburgh, Pennsylvania. My travel expenses, however, had been reimbursed by National Steel in early August 1999. Despite that fact I did not notify my union nor return any of the reimbursement money I had received from the union. I am aware that the union is required to keep records of its assets and liabilities, along with disbursements, which includes, the reimbursed expenses and wages of its officers and that some of the information I submitted to the union in support of those expenses and wages was false.
- c. I understand that without benefit of this plea agreement, the statutory maximum possible penalty that may be imposed upon me for the offense to which I am pleading GUILTY is a period of imprisonment of not more than one (1) year and a fine of up to \$100,000, or a combination of both. Furthermore, if the Court sentences me to a term of imprisonment it may impose a term of supervised release of not more than one (1) year. I further understand that under a term of supervised release, I would have to live my life under certain conditions set by the Court and should I violate any of those conditions, the Court could revoke the supervised release and sentence me to serve an additional term of imprisonment;
- d. I understand that in addition to any other penalty imposed and in accordance with federal law, upon entry of judgment of conviction, I will be assessed a

special assessment in the amount of \$25.00 for the count to which I have pled guilty. I understand that I am expected to pay the special assessment at the time of sentencing;

- e. I hereby stipulate, agree and understand, that pursuant to Title 29, United States Code, Section 504, my conviction for violating Title 29, United States Code, Section 439(c) will result in my being prohibited from serving as an officer or in any other position described by that Statute in or for any labor organization, other than in my capacity as a union member, for a period of thirteen (13) years.
- f. I understand that my sentence will be determined by an application of the Sentencing Guidelines. I understand that before the precise sentence can be determined, the Court will have to take several factors into consideration including, but not limited to, my prior criminal record, the amount of the loss suffered by the union, and my acceptance of responsibility for the crime to which I am pleading GUILTY.
- g. Pursuant to Title 18, United States Code, Section 3663 and 3664 I understand that I may be required to pay restitution to the victim/victims of my crime.
- h. In consideration of my plea of GUILTY, the United States of America agrees with me that I have accepted responsibility for the commission of the crime to which I am pleading GUILTY; however, I understand that the Court may find that I have not accepted responsibility for the commission of the crime to which I am pleading GUILTY and the validity of this plea agreement is not contingent upon the Court's concurrence with my agreement with the Government that I have accepted responsibility. I understand that the Government's obligation to recommend acceptance of responsibility pursuant to this plea agreement is contingent upon my continuing demonstration of acceptance of responsibility. Should I deny my involvement, give conflicting statements as to my involvement or engage in additional criminal conduct, the Government shall not be bound to recommend the reduction based on acceptance of responsibility;
- i. In further consideration of my plea of GUILTY, the government agrees with me that the appropriate disposition of this case is a sentence equal to the minimum of the applicable guideline range, and a fine, if any, to be determined by the Court. I further understand that if the Court decides not to impose the minimum sentence set forth in this paragraph, then the Court will notify me that it has rejected this plea agreement and afford me the

opportunity to withdraw my plea of GUILTY. I understand that if I then persist in my guilty plea, the disposition of the case may be less favorable to me than that contemplated by this plea agreement;

j. I understand that the United States of America has reserved the right to tell the sentencing Court the good things about me, and the bad things about me, and has reserved the right to inform the Court fully of the nature and extent of my conduct, as well as to present evidence to the Court which may affect my Sentencing Guideline range;

k. I am aware that a sentence imposed under the Guidelines does not provide for parole. I agree that the Court has jurisdiction and authority to impose any sentence within the statutory maximum set for my offense as set forth hereinabove. With that understanding, I expressly waive my right to appeal my sentence on any ground, including any appeal right conferred by Title 18, United States Code, Section 3742. I also agree not to contest my sentence or the manner in which it was determined in any post-conviction proceeding including, but not limited to, a proceeding under Title 28, United States Code, Section 2255; and

10. I am prepared to state to the Court my reasons based on the facts in this matter that cause me to believe that I am GUILTY as charged.

11. I believe that my lawyer has done all that anyone could do to counsel and assist me, and that I now understand the proceedings in this case against me.

12. I declare that I offer my plea of GUILTY freely and voluntarily and of my own accord, and no promises have been made to me other than those contained in this petition, nor have I been threatened in any way by anyone to cause me to plead GUILTY in accordance with this petition.

13. I understand and acknowledge that this petition, once filed with the Court, is a public document and available for public viewing.



David A. Shaffer
Defendant



William A. Padula
Attorney for Defendant

APPROVED:

Joseph S. Van Bokkelen
UNITED STATES ATTORNEY

By:



Diane L. Berkowitz
Assistant United States Attorney

COPY FOR YOUR
INFORMATION

A TRUE COPY ATTEST:

DATE: 5/21/03

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

Sm Brown
STEPHEN R. LUDWIG, CLERK
United States District Court
Northern District of Indiana

JUDGMENT IN A CRIMINAL CASE

(For Offenses Committed on
or After November 1, 1987)

UNITED STATES OF AMERICA)

v.)

DAVID A. SHAFFER)

Defendant)

Cause No. 2:02-CR-81-TS

Attorney for Defendant:
WILLIAM A. PADULA

THE DEFENDANT

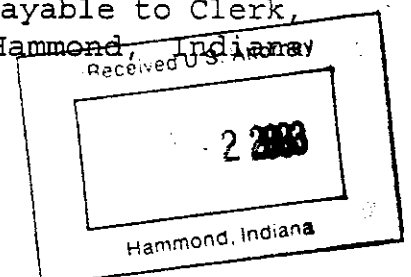
- (X) pleaded guilty to Count 1 of the Information.
() was found guilty on Count(s) after a plea of not guilty.
(X) The Plea Agreement between the defendant and the U.S.
Government filed November 6, 2002 is **ACCEPTED**.

Accordingly, the defendant is adjudged guilty of such
Count(s), which involve the following offenses:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count No ()</u>
29:439(c)	Making False Entries/ Records & Claims	May, 2000	I

Defendant is sentenced as provided in pages 2 through of this
Judgment. The sentence is imposed pursuant to the Sentencing
Reform Act of 1984.

- [] The defendant has been found not guilty on Count(s), and
is discharged as to such Count(s).
[] Count(s) is/are dismissed on motion of the United States.
[X] It is ordered that defendant shall pay to the United States a
special assessment of \$25.00, for Count 1 of the Information,
which shall be due immediately as follows: payable to Clerk,
U.S. District Court, 5400 Federal Plaza, Hammond, Indiana
46320.



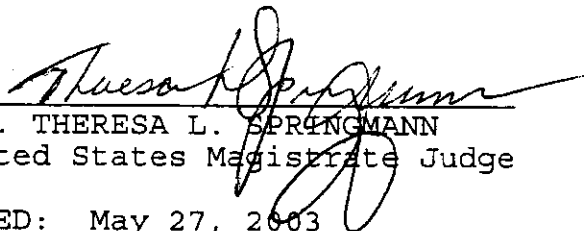
File 310-22141(08)

Defendant: DAVID A. SHAFFER
Cause No.: 2:02-CR-81-TS

Page 2 of 6 - JUDGMENT

IT IS FURTHER ORDERED that the defendant shall notify the United States Attorney for this district, within 30 days, of any change of name, residence or mailing address until all fines, restitution, costs and special assessments imposed by this Judgment are fully paid.

Defendant Social Security No.:	315-52-7345
Defendant Date of Birth:	May 27, 1949
Defendant Legal Address:	2175 Hamilton Street Portage, IN 46368
Date of Imposition of Sentence:	May 7, 2003


HON. THERESA L. SPRINGMANN
United States Magistrate Judge

DATED: May 27, 2003

PROBATION

The defendant is hereby placed on probation for a term of **THREE (3) YEARS**. Because the applicable guideline range is in Zone B of the sentencing table, the Defendant is eligible for probation provided that the Defendant serve at least **six (6) months** on **electronic monitoring**.

While on probation, the defendant shall not commit another federal, state or local crime, shall not illegally possess a controlled substance, and shall not possess a firearm or destructive device. Defendant also shall comply with the standard conditions (1-15) as set forth below: If this Judgment imposes a fine or a restitution obligation, it shall be a condition of probation that the defendant pay any such fine or restitution.

STANDARD CONDITIONS OF PROBATION:

- 1) shall not leave the judicial district without the permission of the court or probation officer;
- 2) shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) shall support his or her dependents and meet other family responsibilities;
- 5) shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) shall notify the probation officer within 72 hours of any change in residence or employment;
- 7) shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
- 8) shall not frequent places where controlled substances are illegally sold, used, distributed, or administered.
- 9) shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;

- 10) shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
- 11) shall notify the probation officer within 72 hours of being arrested or questioned by a law enforcement officer;
- 12) shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) as directed by the probation officer, shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.
- 14) shall pay the special assessment imposed or adhere to a court-ordered installment schedule for the payment of the special assessment.
- 15) shall notify the probation officer of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay any unpaid amount of restitution, fines, or special assessments.

ADDITIONAL CONDITIONS OF PROBATION

The defendant shall comply with the following additional conditions:

- 16) The defendant shall submit to one drug urinalysis within 15 days after being placed on supervision and two periodic tests thereafter.
- 17) The defendant shall not consume alcoholic beverages or any mood altering substances, which overrides the "no excessive use of alcohol" language in Standard Condition #7.
- 18) The defendant shall not possess a firearm or destructive device.

RESTITUTION AND FORFEITURE

RESTITUTION

☒ The defendant shall pay restitution to the U.S. District Court Clerk for disbursement to the Steelworkers Union, Local 8985 in the following manner:

<u>Name of Payee</u>	<u>Amount of Restitution</u>
U.S. District Court Clerk's Office 5400 Federal Plaza, Suite 2300 Hammond, Indiana 46320	\$15,000.00

Payments of restitution are to be made to:

- ☐ the United States Attorney for transfer to the payee(s).
☒ the payee(s).

Restitution shall be paid:

- ☐ in full within thirty (30) days of sentencing.
☐ in full not later than , 199
☐ in equal monthly installments () over a period of () months until paid in full. The first payment is due() days after the date of this judgment.
☒ in installments according to the following schedule of payments: \$500.00 per month beginning May 18th, 2003, and on the 18th of each month thereafter until paid in full.

Any payment shall be divided proportionately among the payees named unless otherwise specified here.

FORFEITURE

- ☐ Defendant is ordered to forfeit the following property to the United States: